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Curtis Publishing Sees Another Deficit in '70, Predicts Profit in '71

Loss for Year Is Estimated at
Less Than \$1 Million; Firm's
President Buys 17% Interest

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Curtis Publishing Co., which had a loss of more than \$84 million from 1961-68 operations, expects another deficit this year, but predicts a profitable 1971.

Beurt SerVaas, the 50-year-old Indianapolis magazine publisher who entered Curtis as president last spring, estimated the 1970 loss at less than \$1 million. Jack & Jill, a children's monthly, is breaking even, he said, and the company's only other remaining operation, Holiday magazine, is expected to break into the black soon. As previously reported, the travel monthly has cut back to nine issues a year and trimmed its page size and circulation.

Curtis, which once employed more than 10,000 persons, has fewer than 100 on the payroll now, Mr. SerVaas said, and expects to make further cuts by contracting out accounting and some other functions currently performed internally.

The executive disclosed that he has acquired a 17% stock interest in Curtis by purchasing 676,256 common shares and 21,427 preferred shares from trustees of the estate of company founder Cyrus H. K. Curtis. He declined to say what he paid for the stock.

Curtis common closed on the Midwest Stock Exchange Friday at 62½ cents, unchanged.

With proceeds from the previously reported sale of Curtis' former printing plant in Sharon Hill, Pa., to General Electric Co., Curtis settled an \$8.8 million Federal tax claim for \$5 million, he said. Curtis also paid more than \$600,000 to break its lease on its headquarters building in Philadelphia. Curtis sold and leased back the Independence Square landmark in 1968, but currently occupies less than 1% of the space in the 10-story building.